(b) The shortage in indigenous coal availability is due to inadequate availability and Coal Companies' inability to match supplies with the increasing requirements of steel plants.

(c) No. Sir. Shortfalls in availability of indigenous coking coal is being overcome by SAIL through higher usage of imported coal and drawal from stocks

(d) Regular and intensive monitoring of the coking coal availability at the Government level is being done and close interaction with Coal India Limited and Railway maintained to step up the production and movement of coking coal to match the steel plant requirements. Balance required quantities of coking coal are also being imported.

Demand and Supply of Steel

2407. SHRI KAMAL MORARKA. Will the Minister of STEEL be pleased to state:

(a) the demand and supply of steel in the country during the Seventh Plan;

(b) the quantity of steel imported during the above period and reasons therefor;

(e) the capacity utilisation in tin major steel plants in the country during' the Seventh Plan; and

(d) the steps taken to improve the steel production during the above period?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV), (a) Estimated domestic demand and actual production of finished steel during 1989-90, the terminal year of the 7th Five Year Plan, was as follows :

Estimated demand . . . 14.98 million tonnes

Production ..... 13-00 million tonnes

(b) During 1989.90, 1.47 million tonnes of finished, steel was imported, to supplement the domestic production,

(c) Capacity utilisation for major steel plants in 1989-90, in terms of crude steel, was as follows:

TISCO.....	97%
SAIL PLANTS:	
Bhilai Steel Plant . * *	81%
Durga Steel Plan * *	74%
Rourkela Steel Plant . *	£4%
Bokaro Steel Limited * *	66%
Indian Iron & Steel Co. -	92%
SAIL .	76%

(d) Production of steel is sought to be inereased through various measures, from time to time, to meet the increasing demand for steel in the country. These include, *inter Alia,* the following :—

—Modernisation of steel plants ant improved maintenance of Plant and equipment for achieving increased productivity;

—Monitoring of supply of inputs, paiticularly coal and power, *to* the steel plants for ensuring uninterrupted production;

—Allowing establishment of new plants of larger capacities in the private sector;

— The residual demand, particularly of sp-dalised categories, will have to *be* met through imports.

Sub.Standard Coal for Steel Plants

2408. SHRI RAM JETHMALANI:
SARDAR JAGJIT SINGH AURORA:

Will the Minister of STEEL be pleased to state;

(a) whether Government's attention has been drawn to a news item publisher in the "Hindustan Times" dated 4th October, 1991 under the caption "Steel Units may have to cut down output";

(b) if so, whether it is a fact that the production of steel is likely to go down due to the use of Sub Standard Coal produced indigenously;

(c) whether it is also a feet that since April this year coal of inferior quality has been supplied by the nationalised collieries; and

(d) if so, what are the details in this regard and the total quantity of such coal supplied by the collieries to the steel plants during the current financial year upto October, 1991?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV); (a) Yes, Sir.

(b) No, Sir. During 1991.92, while, Visakhapatnam Steel Project's (VSP) dependence on indigenous coal is nominal, SAIL plants' efforts will be directed at efficient management of indigenously available and imported coal so as to ensure that their production programme does not suffer.

(c) and (d) As against the desirable ash content of 17 per cent and the agreed ash norm of around 19 per cent (weighted average in the blend) for 1991-92 for SAIL plants, the ash content in the indigenous coking coal fluctuated between 19.8 per cent and 20.3 per cent during the months April-October, 1991. Total quantity of coking coal received by SAIL's steel plants and VSp during this period from Coal India Limited was 48.4 lakh tonnes and 2.75 lakh tonnes respectively.

Modernisation of Durgapur Steel Plant

2409. SHRI RAM AWADHESH SINGH: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that the former Chairman-cum-Managing Director of SAIL and Maruti Limited after retirement in 1990, has set Up companies worth hundreds of crores of rupees;

(b) whether it is also a fact that the official still resides in Government accommodation in Delhi;

(c) whether it is also a fact that the officers involved in a fraud of hundreds of crores of rupees in the modernisation of Durgapur Steel Plant are still holding important posts in SAIL and continue to defraud the Authority;

(d) whether it is a fact that Government had sanctioned Rupees 1360 crores for the modernisation of Durgapur Steel Plant on the 24th September, 1986 and the same amount was stepped upto Rs. 2668 crores in 1988, and if so, the reasons for stepping up the amount, and the names of officers responsible therefor; and

(e) the basis for awarding a contract for Rupees 461 crores, out of rupees 2662 crores, to the Birla Technical Services?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): (a) and (b) The information is being collected and will be laid on the Table of the House.

(c) and (d) Government of India sanctioned on September 24, 1987, the scheme for the Renovation and Technological Upgradtion (Modernisation), of Durgapur Steel Plant of Steel Authority of India Limited at a tentative cost estimate of Rs. 1357 crores (base 3rd quarter 1986 prices) inclusive of a foreign exchange component of Rs. 437 crores. The estimates were to be firmed up within 12 months from the date of approval of the scheme after tenderig action was completed. Accordingly, a Definitive Cost Estimate, based on tenders, of Rs. 2667.6 crores (base 3rd quarter 1988 prices) inclusive of a foreign exchange component of Rs. 685 crores was sanctioned by Government on February 20, 1989. The increase in cost was on account, *inter-alia* of monetary reasons like change in foreign exchange parity, duties and taxes and escalations in prices since 3rd quarter, 1986, besides change in scope and quantities. No specific instance of fraud Has come to the notice of the Government in the case of Durgapur Steel Plant Modernisation work where hundred of crores of rupees were involved. Officers of SAIL who were responsible for the work relating to DSP modernisation project, depending on their age and dates of retirement, are still serving or have since retired,